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IN THE

Supreme Court of the United States

KSR INTERNATIONAL CO.
Petitioner,

v.

TELEFLEX INC. AND TECHNOLOGY HOLDING CO.
Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

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BRIEF OF *AMICUS CURIAE* INTELLECTUAL PROPERTY OWNERS ASSOCIATION IN SUPPORT OF THE RESPONDENTS

Of Counsel:

MARC S. ADLER
President
RICHARD F. PHILLIPS
Chair, Amicus Brief Committee
INTELLECTUAL PROPERTY OWNERS ASSOCIATION
1255 Twenty-Third Street, N.W.
Suite 200
Washington, D.C. 20037
(202) 466-2396

PAUL H. BERGHOFF
(*Counsel of Record*)
JEREMY E. NOE
AARON F. BARKOFF
MCDONNELL BOEHNEN HULBERT & BERGHOFF LLP
300 South Wacker Drive
Chicago, Illinois 60606
(312) 913-0001

Counsel for Amicus Curiae

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BRIEF OF *AMICUS CURIAE* INTELLECTUAL PROPERTY OWNERS ASSOCIATION IN SUPPORT OF THE RESPONDENTS

INTEREST OF *AMICUS CURIAE*[1]

Amicus curiae Intellectual Property Owners Association ("IPO") is a trade association with about 200 corporate members and a total of more than 9,000 individuals who are involved in the association either through their companies or

[1] The parties have consented to the filing of this brief *amicus curiae*. Letters of consent have been filed with the Clerk of the Court. In accordance with Supreme Court Rule 37.6, *amicus curiae* states that this brief was not authored, in whole or in part, by counsel to a party, and that no monetary contribution to the preparation or submission of this brief was made by any person or entity other than the *amicus curiae* or its counsel.

as inventor, executive, attorney or law firm members. Founded in 1972, IPO represents the interests of all owners of intellectual property. IPO members receive about thirty percent of the patents issued by the Patent and Trademark Office ("PTO") to U.S. nationals. IPO regularly represents the interests of its members before Congress and the PTO, and has filed *amicus curiae* briefs in this Court and other courts on significant issues of intellectual property law. The members of IPO's Board of Directors, which approved the filing of this brief, are listed in the Appendix.

SUMMARY OF ARGUMENT

IPO's interest in this case arises from the indication that this case may be used as a vehicle for overturning the Federal Circuit's established "teaching, suggestion, or motivation" test of obviousness under 35 U.S.C. § 103(a) (referred to herein as the "suggestion test"). The suggestion test states that a legal conclusion of obviousness based on multiple prior art references requires evidence of a "teaching, suggestion, or motivation" to combine those multiple references.

IPO believes that the suggestion test, if flexibly applied, is consistent with the statutory language of § 103(a) and this Court's precedents in that it guards against an improper reliance on hindsight in the obviousness analysis. The suggestion test asks the question that a person having ordinary skill in the art would ask at the time of the invention—should I combine the teachings of these prior art references and, if so, in what way? Furthermore, the suggestion test is an objective test that may be applied with relative ease and consistency by both patent examiners and judges. Abandonment of the suggestion test would likely make the determination of patentability and patent validity more subjective, and therefore less predictable. However, IPO believes that a rigid application of the suggestion test to require an explicit suggestion, motivation or teaching in the

prior art to combine references, as applied by the Federal Circuit in some cases, is not appropriate.

IPO expressly declines to take any position on whether there is a factual or legal basis for finding Respondents' patent invalid.

ARGUMENT

I. THE FEDERAL CIRCUIT'S "TEACHING, SUGGESTION, OR MOTIVATION" TEST, IF FLEXIBLY APPLIED, IS CONSISTENT WITH § 103(a) AND THIS COURT'S PRECEDENTS

In most instances, a determination of obviousness under section 103(a) is based on a combination of two or more separate prior art references. According to Federal Circuit case law, a legal conclusion of obviousness based on multiple prior art references requires evidence of a "teaching, suggestion, or motivation" to combine the multiple references. *See In re Johnston*, 435 F.3d 1381, 1384 (Fed. Cir. 2006). While the Federal Circuit has not always been consistent in applying the suggestion test, the Federal Circuit has stated that a flexible standard should be used. Specifically, the Federal Circuit has stated that "the teaching, motivation or suggestion may be implicit from the prior art as a whole, rather than expressly stated in the references." *In re Kotzab*, 217 F.3d 1365, 1370 (Fed. Cir. 2000). IPO believes that such a flexibly applied suggestion test is consistent with the statutory language of § 103(a) and this Court's precedents. IPO does not, however, support a wooden application of the suggestion test that would require an express suggestion, teaching, or motivation to combine references in the prior art.

35 U.S.C. § 103(a) states:

> A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such

> that the subject matter *as a whole* would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.

35 U.S.C. § 103(a) (emphasis added). Thus, section 103(a) requires an evaluation of whether the subject matter of the invention "as a whole" would have been obvious. The statutory analysis is not whether each part or element of the invention would have been obvious, but whether the combination "as a whole" would have been so.

In interpreting § 103(a), this Court in *Graham v. John Deere* established the framework for determining obviousness:

> (1) the scope and content of the prior art are to be determined; (2) differences between the prior art and the claims at issue are to be ascertained; and (3) the level of ordinary skill in the pertinent art resolved. Against this background, the obviousness or nonobviousness of the subject matter is determined. Such secondary considerations as commercial success, long felt but unsolved needs, failure of others, etc., might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented. As indicia of obviousness or nonobviousness, these inquiries may have relevancy.

Graham v. John Deere Co. of Kansas City, 383 U.S. 1, 17-18 (1966).[2]

The Federal Circuit's suggestion test, if applied flexibly, ensures adherence to the statute's mandate that the patented subject matter be judged "as a whole" in determining obvi-

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[2] The particular obviousness determinations at issue in *Graham* did not involve combinations of multiple prior art references. Accordingly, the *Graham* Court did not address the issue of how combinations of prior art references may render an invention obvious.

ousness. This statutory goal is accomplished by requiring evidence of a "teaching, suggestion, or motivation" to combine multiple prior art references prior to rendering the patented combination of elements obvious. Without this requirement, it would be easy to fall into the trap of hindsight and use the invention as a roadmap to pick and choose the various components of the invention out of the prior art. As one commentator put it, "[i]f identification of each claimed element in the prior art were sufficient to negate patentability, very few patents would ever issue." Robert L. Harmon, *Patents and the Federal Circuit* § 4.7(a), at 211 (7th ed. 2005).

Once the details of the inventor's solution to a problem in a particular art area have been explained, it can be tempting to conclude that the inventor's work product was "obvious" because, with the inventor's solution in hand, it is often easy to trace a pathway from the invention backwards to the prior knowledge and understanding of those of ordinary skill in the art. But this type of hindsight analysis is decidedly *not* the proper framework for determining obviousness under section 103(a). Instead, the court or the PTO must consider the prior art from the standpoint of one of ordinary skill in the art at the time of the invention, i.e., devoid of any knowledge regarding the invention or its description in the patent or patent application at issue. Only in that context can it be properly determined whether the patented subject matter would have been obvious to one of ordinary skill in the art at that time, as opposed to being obvious today.

Congress addressed the hindsight problem in § 103(a) by requiring that obviousness be assessed "at the time the invention was made." 35 U.S.C. § 103(a). Accordingly, the *Graham* court emphasized the importance of avoiding the hindsight trap. In determining whether it would have been obvious to one of ordinary skill in the art to combine reference teachings in a manner that would produce a particular

claimed invention, courts must "guard against slipping into the use of hindsight [and] . . . resist the temptation to read into the prior art the teachings of the invention at issue." *Graham*, 383 U.S. at 36 (internal quotations and citations omitted). *See also In re Kotzab*, 217 F.3d 1365, 1369 (Fed. Cir. 2000) ("[T]he very ease with which the invention can be understood may prompt one to fall victim to the insidious effect of a hindsight syndrome wherein that which only the invention taught is used against its teacher." (internal quotations omitted)). Looking for evidence of a teaching, suggestion, or motivation to combine particular portions of multiple references to arrive at the claimed invention serves as an important and practical check on the improper use of hindsight in obviousness determinations.

The suggestion test is correctly viewed as a part of the first *Graham* factor, determination of the scope and content of the prior art. However, the assessment of whether a "teaching, suggestion, or motivation" to combine prior art references exists also requires attention to the other *Graham* factors. For example, the level of skill in the art may influence whether the person of ordinary skill in the art would recognize a suggestion or motivation to combine prior art references. More highly skilled artisans are likely to have a greater appreciation for nuances in the art. Similarly, appreciation of the differences between the prior art and the claims at issue affects whether prior art references would have been combined by the person of ordinary skill. *See McGinley v. Franklin Sports, Inc.*, 262 F.3d 1339, 1351-52 (Fed. Cir. 2001).

Moreover, the search for evidence of a "teaching, suggestion, or motivation" to combine prior art references is consistent with *Graham* and this Court's other precedents insofar as it allows courts to determine whether the invention "could readily be deduced from publicly available material by a person of ordinary skill in the pertinent field of endeavor." *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141,

151 (1989). *See also, Dystar Textilfarben GmbH v. C.H. Patrick Co.*, No. 06-1088, slip op. at 23-25 (Fed. Cir. Oct. 3, 2006). The suggestion test poses the very question that a person of ordinary skill in the art would ask when faced with multiple prior art references, i.e., is there a reason to combine the teachings of these references and, if so, how? And the Federal Circuit's suggestion test poses this central question without reference to the teachings of the patent, just the position the hypothetical person having ordinary skill in the art would find himself or herself in at the time of the invention. As such, the suggestion test is a logical consequence of the statute's evaluation of obviousness "as a whole."

The suggestion test, when flexibly applied, also allows for consideration of questions that naturally arise when the analytical framework set forth in *Graham* is applied to a combination of prior art references. For example, an inherent aspect of the first two *Graham* factors is a consideration of the predictability of the result of combining the claimed combination of elements. Certain inventions comprising combinations of elements may lead to relatively predictable results, such as the technology at issue in this case, and thus may require less evidence to show that the patented combination would have been obvious from the prior art. Conversely, inventions comprising combinations of elements with results that are inherently less predictable may require a greater quantum of evidence of a suggestion to combine pertinent art.

II. THE SUGGESTION TEST IS AN OBJECTIVE TEST THAT IS RELATIVELY EASILY AND CONSISTENTLY APPLIED IN PRACTICE

In determining what would have been obvious to one of ordinary skill at the time of the invention, IPO submits that there should be an objective standard by which to make the determination. In IPO's view, the suggestion test is an

appropriate objective standard. Any finding of obviousness should be evidenced by a teaching, suggestion, or motivation that would have led a person of ordinary skill in the art to select those references and combine them in a manner that would produce the claimed subject matter at issue. However, it must be objective evidence, not mere unsupported opinion or argument.[3] Otherwise, the inevitable use of hindsight will tend to render meritorious inventions "obvious" by using the inventor's own teachings as a roadmap to piece together prior art references in ways that would not have been obvious at the time of the invention.

IPO believes that the suggestion test has proven itself to be a workable and statutorily relevant framework for addressing obviousness based on a combination of prior art references. This test has guided the Federal Circuit since its early years, *see, e.g., ACS Hosp. Sys., Inc. v. Montefiore Hosp.*, 732 F.2d 1572, 1577 (Fed. Cir. 1984), and informed the decisions of its predecessor court, *see, e.g., In re Shaffer*, 229 F.2d 476, 479 (C.C.P.A. 1956). As such, the test has provided the kind of uniformity and predictability that motivated Congress to enact the nonobviousness requirement of § 103(a). *See* S. Rep. No. 82-1979, at 6 (1952); H.R. Rep. No. 82-1923, at 7 (1952). A recent empirical analysis of the Federal Circuit's obviousness doctrine supports this view. Lee Peterbridge and R. Polk Wagner, *The Federal Circuit and Patentability: An Empirical Assessment of the Law of Obviousness*, U. Penn. Law School Scholarship at Penn Law (August 18, 2006), at http://lsr.nellco.org/upenn/wps/ papers/103 (concluding, for example, that the Federal Circuit has affirmed lower court decisions on the question of obviousness at least three times as often as it has reversed such decisions).

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[3] And in the case of an issued patent that enjoys the presumption of validity under 35 U.S.C. § 282, obviousness must be proven by clear and convincing evidence.

The suggestion test is important for ensuring consistency not only in judicial decisions regarding obviousness, but also in patentability decisions at the PTO. Without the objectivity of the suggestion test, courts and patent examiners would have insufficient guidance to prevent them from declaring inventions "obvious" based on the almost irresistible pull of 20/20 hindsight. Leaving obviousness determinations to the mercy of hindsight reconstruction would be clearly at odds with the statute and this Court's precedents. In addition, the elimination of the suggestion test would lead to more subjective and less predictable obviousness determinations.

III. A FLEXIBILE STANDARD SHOULD GUIDE THE APPLICATION OF THE SUGGESTION TEST

IPO believes that a flexible standard should guide the evaluation of whether there exists a teaching, suggestion, or motivation to combine references. To the extent that the Federal Circuit has stated or would require that there must be express, written evidence in the prior art of such a teaching, suggestion, or motivation to combine, IPO believes that this would represent an overly rigid standard. The underlying evidentiary basis need not take the form of an express writing.

Indeed, the Federal Circuit recently decided a number of cases by applying the suggestion test with a flexible standard. The court in *In re Kahn* affirmed a Board of Patent Appeals and Interferences obviousness determination because the nature of the problem solved by the invention provided a motivation to combine prior art references. *In re Kahn*, 441 F.3d 977, 989 (Fed. Cir. 2006). The court stated: "A suggestion, teaching, or motivation to combine the relevant prior art teachings does not have to be found explicitly in the prior art, as the teaching, motivation, or suggestion may be implicit from the prior art as a whole, rather than expressly

stated in the references." *Id.* at 987. Similarly, the court in *Cross Medical* vacated a summary judgment determination of nonobviousness because there was a genuine issue of material fact as to whether a person of ordinary skill in the art would have been motivated to combine prior art references based on the general knowledge of those of ordinary skill in the art. *Cross Med. Prods. Inc. v. Medtronic Sofamor Danek, Inc.*, 424 F.3d 1293, 1322 (Fed. Cir. 2005). According to the court: "Evidence that a person of ordinary skill in the art recognized the same problem to be solved as the inventor and suggested a solution is, at the least, probative of a person of ordinary skill in the art's willingness to search the prior art in the same field for a suggestion on how to solve that problem." *Id.*

More recently, the Federal Circuit reversed a summary judgment of nonobviousness in *Ormco Corp. v. Align Tech., Inc.*, No. 05-1426 (Fed. Cir. Aug. 30, 2006), which involved a set of orthodontic devices that were packaged together with instructions for use. In finding that the claim limitation to packaging did not make the claimed combination nonobvious, the court applied the suggestion test in a flexible manner by finding a motivation to alter the prior art "in the light of the well-known practice of packaging items in the manner most convenient to the purchaser." *Id.*, slip op. at 16. And as to the claimed element of providing instructions for use of the orthodontic devices, the Federal Circuit found that the FDA's general regulations concerning medical devices "supply ample evidence of a motivation to provide instructions as to how to use the devices." *Id.*

In similar fashion, the Federal Circuit affirmed a finding of obviousness principally on the basis of expert testimony in *Alza Corp. v. Mylan Laboratories, Inc.*, No. 06-1019 (Fed. Cir. Sept. 6, 2006). According to the defendants' expert, one of ordinary skill in the art would have expected an extended release formulation of oxybutynin, the claimed invention, to

be of therapeutic value because oxybutynin was known to be lipophilic. The Federal Circuit found this testimony a sufficient basis for the lower court's finding of obviousness because "the motivation to combine need not be found in the prior art." *Id.*, slip op. at 12 (citing *Cross Med. Prods.*, 424 F.3d at 1322).

Prior Federal Circuit decisions likewise recognize that an obviousness finding does not require an express, written teaching, suggestion, or motivation to combine multiple references. *See, e.g., In re Johnston*, 435 F.3d at 1385 ("An explicit teaching that identifies and selects elements from different sources and states that they should be combined in the same way as in the invention at issue, is rarely found in the prior art."). *See also Ruiz v. A.B. Chance Co.*, 357 F.3d 1270, 1276 (Fed. Cir. 2004) (Federal Circuit's warning against employing hindsight "does not provide a rule of law that an express, written motivation to combine must appear in prior art references before a finding of obviousness."). Indeed the Federal Circuit has formulated and applied a flexible evidence standard in many of its prior obviousness decisions. *See, e.g., Brown & Williamson Tobacco Corp. v. Philip Morris Inc.*, 229 F.3d 1120, 1125 (Fed. Cir. 2000) (evidence of a motivation to combine prior art references "may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, from the nature of the problem to be solved."). *See also Princeton Biochemicals, Inc. v. Beckman Coulter, Inc.*, 411 F.3d 1332, 1338 (Fed. Cir. 2005) (nature of the problem supplied motivation to combine prior art references); *SIBIA Neurosciences, Inc. v. Cadus Pharm. Corp.*, 225 F.3d 1349, 1356 (Fed. Cir. 2000) (motivation to combine references found in knowledge of those skilled in the art at the time of the invention). IPO supports this flexible application of the suggestion test.

IPO does not support the rigid application of the suggestion test that has been applied by the Federal Circuit in some of its decisions. The Federal Circuit has at times required evidence of an explicit suggestion to combine references without considering whether such a suggestion could be implicit in the knowledge of those of skill in the art. *See Winner Int'l Royalty Corp. v. Wang*, 202 F.3d 1340, 1348-1349 (Fed. Cir. 2000); *In re Rouffet*, 149 F.3d 1350, 1357 (Fed. Cir. 1998); *In re Lee*, 277 F.3d 1338, 1344-1345 (Fed. Cir. 2000). Perhaps the most egregious example of this was *In re Dembiczak*, in which the Federal Circuit found a lawn trash bag with a Halloween pumpkin design nonobvious due to the lack of an explicit teaching in the prior art that would have led one of ordinary skill in the art to combine a regular trash bag with prior paper bags having pumpkin designs. 175 F.3d 994, 1000 (Fed. Cir. 1999). IPO does not believe that an explicit suggestion to combine prior art references should be a necessary element of nonobviousness.

IV. NEITHER "SYNERGISM" NOR "EXTRAORDINARY LEVEL OF INNOVATION" SHOULD BE A REQUIRED ELEMENT OF NONOBVIOUSNESS

It is IPO's view that "synergism" should not be established as a necessary indicium of nonobviousness. IPO believes that *Anderson's-Black Rock* and *Sakraida* are entirely consistent with the analytical framework of *Graham*, and that neither case requires that combined elements take on novel, synergistic, or surprising functions. *Anderson's-Black Rock, Inc. v. Pavement Salvage Co.*, 396 U.S. 57 (1969), *Sakraida v. Ag Pro, Inc.*, 425 U.S. 273 (1976).

Both cases state that they are applying the *Graham* test. *Sakraida*, 425 U.S. at 279-80; *Anderson's-Black Rock*, 396 U.S. at 61-62. In *Sakraida*, the Court refers to synergy only in response to the Fifth Circuit's statement that the patent-in-

suit disclosed a synergistic result. *Sakraida*, 425 U.S. at 282. An absence of synergy had no effect on the Court's decision to rule the patent invalid. Rather, the patent was invalid because "this particular use of the assembly of old elements would be obvious to any person skilled in the art of mechanical application." *Id.* And in *Anderson's-Black Rock*, the Court speaks of a "synergistic result" only in response to the patentee's unsupported claim that his combination invention could produce new results above the separate use of the elements. *Anderson's-Black Rock*, 396 U.S. at 59-61. The holding, however, rested on the fact "that to those skilled in the art the use of the old elements in combination was not an invention by the obvious-nonobvious standard." *Id.* at 62-63.

The view that *Anderson's-Black Rock* and *Sakraida* should be read as upholding *Graham* finds further support in the Court's action in *Dann v. Johnston*, decided only three weeks before *Sakraida*. 425 U.S. 219 (1976). In *Dann*, both the petitioner and one *Amici* urged the Court to adopt synergism as the standard for nonobviousness and render the patent-in-suit invalid for failure to exhibit a synergistic result. *See* Brief of Petitioner, at 29; Brief of Amici Curiae for the Computer & Bus. Equip. Mfrs. Ass'n, at 9. The Court paid no heed and found the patent valid under the *Graham* framework, without making the slightest mention of synergism. *Dann*, 425 U.S. at 426-30. Furthermore, many courts of appeal, as well as the Court of Customs and Patent Appeals have rejected reading *Anderson's-Black Rock* and *Sakraida* to require "synergy" between old elements for patentability of combination inventions. *See, e.g. Rengo Co. Ltd. v. Molins Mach. Co, Inc.*, 657 F.2d 535, 543-45 (3d Cir. 1981); *Champion Spark Plug Co. v. Gyromat Corp.*, 603 F.2d 361, 372 (2d Cir. 1979); *Republic Indus., Inc. v. Schlage Lock Co.*, 592 F.2d 963, 968-69 (7th Cir. 1979); *Nickola v. Peterson*, 580 F.2d 898, 910 (6th Cir. 1978); *Stevenson v. Int'l Trade Comm'n*, 612 F.2d 546, 553 (C.C.P.A. 1979).

While the existence of a synergistic effect is clear evidence of nonobviousness, *Am. Hoist & Derrick Co. v. Sowa & Sons, Inc.*, 725 F.2d 1350, 1360 (Fed. Cir. 1984), the absence of synergism should not be viewed as determinative of obviousness. *Ryko Mfg. Co. v. Nu-Star, Inc.*, 950 F.2d 714, 717 (Fed. Cir. 1991). Under a synergism standard, "one would focus on the product created rather than on the obviousness or nonobviousness of its creation, as required under § 103." *Am. Hoist*, 725 F.2d 1360.

More importantly, IPO believes that many worthy, patentable inventions lack the presence of true synergy (1 + 1 = 3), and to require a showing of synergistic effects would set the bar for patentability far higher than the statute requires. Synergism is defined as "the interaction of elements that when combined produce a total effect that is greater than the sum of the individual elements." A synergism requirement would come close to terminating the grant of all patents in the mechanical or hydraulic arts. After all, a spring, a valve, or a lever will continue to perform the functions that have always been performed by springs, valves, and levers.

The Court should reject synergism for an even more fundamental reason: any such requirement would be inconsistent with the patent statute. Before Congress enacted § 103(a) in 1952, various approaches had been taken to obviousness. *See, e.g., Cuno Corp. v. Automatic Devices Corp.*, 314 U.S. 84, 91 (1941) (proposing the "flash of genius" test); *Hotchkiss v. Greenwood*, 52 U.S. 248, 267 (1851) (proposing the "invention" standard). Judge Rich, one of the co-authors of § 103(a), referred to these amorphous standards as "the plaything of the judges who as they became initiated into its mysteries, delighted to devise and expound their own ideas of what it meant; some very lovely prose resulting." Giles S. Rich, Principles of Patentability, 28 Geo. Wash. L. Rev. 393, 404 (1960). Section 103(a) was codified to remedy these problems by creating a uniform, definite and objective stan-

dard. *See* S. Rep. No. 82-1979, at 6 (1952); H.R. Rep. No. 82-1923, at 7 (1952). That standard, as written, militates against establishing synergism as the hallmark of nonobviousness.

Like synergism, the Government's proposed "extraordinary level of innovation" standard is inconsistent with § 103(a). According to the Government, the "core issue" and "key question" of obviousness is "whether the claimed invention manifests the extraordinary level of innovation" that justifies a patent. Gov't Br. at 10. Similarly, the Government suggested that patents should be reserved for inventors demonstrating "extraordinary skill." *Id.* at 24. This standard is reminiscent of the highly subjective "flash of genius" test that § 103(a) replaced. Section 103(a) requires patentable inventions to have been nonobvious to those of ordinary skill in the art; it does not limit the award of patents to extraordinarily skilled artisans. The Government's proposed standard would ignore the reality that many worthy, patentable inventions are created by persons of ordinary skill, or less, through serendipity or other unique circumstances. Nothing in the patent statute suggests that patents should only be awarded to Nobel laureates. Therefore, the Government's proposed "extraordinary level of innovation" standard should be rejected as too subjective and ungrounded in either the statute or this Court's case law.

CONCLUSION

IPO believes that a flexibly applied "suggestion test" is consistent with both the statutory language of § 103(a) and this Court's precedents. IPO further believes that a flexibly applied suggestion test lends consistency to the application of § 103(a) and that its abandonment would lead both to uncertainty and the greater use of improper hindsight in obviousness determinations by the PTO and the courts.

Finally, IPO believes neither "synergism" nor "extraordinary level of innovation" should be a required element of non-obviousness.

Respectfully submitted,

Of Counsel:

MARC S. ADLER
President
RICHARD F. PHILLIPS
Chair, Amicus Brief Committee
INTELLECTUAL PROPERTY
OWNERS ASSOCIATION
1255 Twenty-Third Street, N.W.
Suite 200
Washington, D.C. 20037
(202) 466-2396

PAUL H. BERGHOFF
(*Counsel of Record*)
JEREMY E. NOE
AARON F. BARKOFF
MCDONNELL BOEHNEN
HULBERT & BERGHOFF LLP
300 South Wacker Drive
Chicago, Illinois 60606
(312) 913-0001

Counsel for Amicus Curiae

APPENDIX

APPENDIX *

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